

The American Observer

A free, virtuous, and enlightened people must know well the great principles and causes on which their happiness depends. — James Monroe

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Egypt Holds Key to Vital Middle East

Loss of Egypt Would Place Rich Region Within Reach of German Arms

WAR MIGHT BE PROLONGED

Middle East Guards Southern Approach to Caucasus and Supply Route Through Persian Gulf

As we go to press the Battle of Egypt is raging across the swirling sands 120 miles from Alexandria. Marshal Rommel, swiftly following up his advantage, is pressing the attack relentlessly against the British who are trying to gain time by fighting a delaying and retreating action. Allied forces have abandoned the strong base at Matruh, fearing to be encircled and trapped there by the Germans. The loss is a severe one for the base had been well fortified and it is the terminus of the railroad which leads along the Egyptian coast to Alexandria.

The British are receiving reinforcements in the shape of tanks and planes which have been rushed from Alexandria. Units of the U. S. Air Force have entered the battle and it is possible that American ground troops may reach the scene of action. General Sir Claude Auchinleck, commander-in-chief of the Middle East, has taken over direction of the campaign from Lieutenant General Neil M. Ritchie, and a tremendous effort is being made to halt Rommel and turn him back toward Libya.

Campaign Must Develop

There can be no doubt that Egypt has been placed in grave peril by the speedy and smashing German drive. However, it is too early to judge the outcome of the campaign on the basis of the day-to-day fighting. We have to wait for the battle to unfold; for each side to develop its strategy and measure it against that of its opponent. For many months the British have been preparing for the defense of Egypt and it would be amazing if their resistance should suddenly crumble under the blows which the Axis is delivering. There may be some surprises in store for Rommel before this campaign is over.

The Germans may gain ground but in order to win the Battle of Egypt they must destroy the British Eighth Army which is entrusted with the defense of that country. The Eighth Army has suffered serious reverses, losing perhaps 25,000 men at Tobruk and another 6,000 at Mersa Matruh, to say nothing of the war material captured or destroyed by the enemy. But it remains intact as a fighting force. So long as it continues in being, and so long as reinforcements can be brought up, victory is likely to elude the Germans.

The Battle for Egypt is one of the decisive battles of the war. Upon its

(Concluded on page 6)



Spirit of Liberty—Defender's Monument at New Haven, Conn.

Confidence in a Dark Hour

By Walter E. Myer

We are hearing a good many complaints about the conduct of the war. Criticism has become more pronounced as a result of the disastrous defeats in Libya and Egypt. People are asking what is the matter, asking why we must go month after month without decisive victory, why we are on the defensive seven months after we entered the war. These criticisms are not unnatural. When one is worried and disappointed, he is inclined to blame somebody for his troubles. And the American public is worried. It is hard to get adjusted to the idea of our country's losing battles, of our fighting on the defensive.

But while the wave of criticism is easy to understand, it is not so easily justified. The fact is that we entered the war unprepared. We had been making frantic efforts to get ready for months, but it takes years to prepare for mechanized war. The Germans and the Japanese had been at it for years. We had not. This is not wholly to our discredit. We wanted to live at peace and assumed we could do so. Our enemies wanted war and were preparing all the time for aggressive action. Naturally they entered the war better equipped and trained. Not only that, but they are fighting on interior lines, which gives them a very great advantage.

Despite their initial advantage, we have an excellent chance to wear them down and defeat them. Most military strategists of the United States think we can and will do it. But students of military science agree that this cannot be done quickly, that, for some time the going will be hard and some days will be very dark. If, under these circumstances we blame our high command for every defeat, even for very serious and dangerous defeats, we will be making the work of our armed forces all the harder. We should keep in mind the complexity of our military problems. Decisions which seem simple to the comfortable parlor strategist may, in reality, be extremely difficult. Here is a case in point. A newspaper writer was complaining not long ago about an alleged foolish error committed a year ago last spring by the British high command. General Wavell at that time seemed at the point of conquering all of Northern Africa. If he had done that, Libya would have remained in British hands, and the recent disaster would have been avoided. But when success was within Wavell's grasp, he was ordered to send part of his army to Greece. As it turned out, Greece was lost anyway and so now is Northern Africa. It all seems very simple. But suppose the British had not gone to the aid of Greece. A chorus of jeers would have been heard around the world—charges that the British always let others do their fighting, that they do not help their allies. This would have had a very bad effect in the United States, and it might conceivably have induced

(Concluded on page 7)

Congress Discusses Record Tax Burden

Ways and Means Committee Prepares Bill to Add Six Billion to Revenue

WAR COSTS ARE SOARING

In Last Two Years, Expenses Have Exceeded Total Cost of Government in 150 Years

Last week, the government of the United States closed its books on one year and began a new one. The government's financial books are closed on June 30 of each year, the period between July 1 and June 30 being known as the fiscal year. Thus we are now in the fiscal year 1943, the third year of heavy war expenditures.

The fiscal year which has just ended has given us some idea of the mounting cost of the war. During the 12-month period, the government has spent approximately \$32,000,000,000. Of this sum, \$26,000,000,000 went for direct war costs and the remaining \$6,000,000,000 for non-war governmental expenditures—the cost of running the regular branches and departments of the federal government.

During the year which ended June 30, the government had a deficit of some \$19,000,000,000; that is, it spent that much more than it collected in all forms of taxes and other revenues. The total receipts for the period were \$13,000,000,000—the largest sum on record.

Only the Beginning

If the costs for last year were gigantic, they appear small in comparison to the sums which will be spent before another June 30 rolls around. A few days before the Treasury closed its books, the House of Representatives passed the largest single appropriation bill in the history of the United States. It was a bill authorizing the expenditure of nearly \$43,000,000,000 for the Army—a sum equal to more than three times the total receipts of the government during the year just closed.

This is an indication of the shape of things to come. Since the United States embarked upon its rearmament program two years ago, a total of \$220,000,000,000 (including the \$43,000,000,000) has been set aside for war purposes. It is almost impossible to conceive of such an astronomical figure. It is a great deal larger than the entire sum spent by the government from the time of its establishment in 1789 to 1940. During that period, in which five major wars were fought, the total expenditures of the government amounted to \$154,000,000,000. In other words, in two years' time, Congress has authorized the expenditure of \$66,000,000,000 more than the entire cost of running the government and paying for wars over a period of more than 150 years.

It is significant that the single Army appropriation of \$43,000,000,000 is

(Concluded on page 7)



Farm wagon and mule team in the South

A Book in the News

The New and Real South Explained

FEW books have discussed the South more intelligently and more impartially than Virginius Dabney's *Below the Potomac* (New York: D. Appleton-Century Company, \$3). Although written by a southerner, the capable editor of the *Richmond Times-Dispatch*, it is totally devoid of bias and prejudice. Its principal purpose is to portray the South, the new South, as it is today, with all its faults and virtues, its accomplishments and shortcomings.

Mr. Dabney properly sweeps away many of the misconceptions prevailing in other parts of the country about the South. Generally speaking, the outsider has one of two pictures of the South. Either he thinks of the old Confederacy as "a reactionary and backward land, incredibly sleazy and down-at-heel, inhabited by degenerates drooling tobacco juice, whose penchant for lynching is exceeded only by their predilection for divers varieties of lechery," or else the picture is of "mockingbirds, magnolias, and mamies, of crinolined belles and burnt-cork Negroes."

Both of these vignettes represent extremes—very small extremes—of southern society. The land of magnolias, great plantations, and pillared mansions has been the setting of more than one movie. The land of shacks, sharecroppers, half-starved "poor whites" and persecuted Negroes has been the theme of many a novel by both northern and southern authors. It is the purpose of Mr. Dabney's book to dispel both of

these misconceptions and present the true South.

Mr. Dabney clearly recognizes the fact that in many ways the South lags behind the West and the North in various fields of progress. For example, the South cannot boast the educational facilities which exist in the North.

And yet southern education has made truly remarkable strides in recent years. Not only do a large number of southern universities rank high for the caliber of their education, but, equally important, great progress has been made in eliminating illiteracy, providing educational facilities for the Negroes, and in other ways improving the quality of education.

Perhaps the South is as backward in the field of politics as in any other and Mr. Dabney is the first to admit it. He strikes out strongly against the poll tax system prevailing in many southern states which keeps large numbers of voters disfranchised, for all practical purposes. Nor does he approve of the one-party system which has a retarding effect upon political progress in general.

On the economic front, the South has been greatly benefited by many features of the New Deal. "The fact remains that the Roosevelt administration has addressed itself more directly and comprehensively to the welfare of the South than to any other part of America. Moreover, the steps it has taken, the imagination it has shown in attacking problems which had gone almost unconsidered for generations, its genuine concern for the alleviation of the ills of a long handicapped and retarded section, entitle it to the gratitude of the southern people."

There are still many problems which must be effectively dealt with if the South is to progress economically and socially. The health of the region still remains below the proper standards. Further steps must be taken to improve the lot of the lowest economic levels of the population. Greater opportunities must be given to the Negroes, both in education and in the opportunities to earn a livelihood. Perhaps the greatest hope for the future lies in the fact that in recent years southerners themselves have shown a disposition to view their shortcomings realistically and to work out solutions for them.

Notes From All Fronts

If price ceilings hold fast during the next 20 months, according to Price Chief Leon Henderson, the entire war program will cost \$62,000,000,000 less than it would if prices rose as they did during the last war. He also stated recently that approximately 2,000,000 to 2,500,000 persons may eventually be helping in various ways with price control and rationing, although few of them will have a direct hand in enforcement problems.

Completion of the Atlantic seaboard's first flight strip, to be used for emergency landings and take-offs, was announced a few days ago. Measuring 7,000 feet long and 150 feet wide, the strip is paved in concrete eight inches thick. A generous area surrounding the strip has also been cleared and leveled.

Two newly organized forestry engineer units are in training under the Army corps of engineers. Designed as combat troops to operate in the field, the units will perform such services as obtaining lumber and timber for military operations. Both officers and enlisted men will be selected on the basis of their qualifications as foresters, loggers, and sawmill men.

By next week, on July 15, all regular United States currency in Hawaii will be replaced with a special type of currency—ordinary bills bearing the imprint "Hawaii." The move is a precaution against money difficulties which would arise in the event of enemy invasion. If regular currency were in circulation, as was the case in Manila, the money would have to be destroyed to keep it from falling into enemy hands.

Army Air Forces Commander Henry Arnold gives assurance that aircraft factories will produce the Army's share—at least 148,000 planes—of the 185,000 planes which the President has set as the goal for 1942 and 1943. General Arnold also stated recently that the Army is making plans for the mass evacuation of wounded soldiers by air. Germany, for example,

has evacuated more than 200,000 wounded from battle fronts by air. During the battle of Crete, he said, the Germans had their wounded back to Berlin within 48 hours.

Substitute textiles, according to the Department of Agriculture, will become quite common from now on and until the war ends. It reports that soybean fiber can be produced at half the cost of sheep's wool, and that it has a warm, soft feel. Other sources of synthetic fibers on which research is being made include peanuts, corn, fish protein, yucca, the bark of redwood trees, and glass.

From the estimated national income of \$117,000,000,000 for this year, \$31,000,000,000 will be returned to the government in taxes and war bonds and stamps. This will leave \$86,000,000,000 to be spent, although there will only be \$69,000,000,000 worth of things available to buy. The gap of \$17,000,000,000 represents the amount which, unless controlled, spells inflation. For it will become the means by which buyers can bid against each other for the goods that are available, thus bringing about increased prices.

Prime Minister Churchill, on his recent trip to the United States, revealed to friends here that he has set up a personal priority system for worries. Having so many of them, he said that minor troubles are tucked away and virtually forgotten. Major worries thus receive attention and in that way, Mr. Churchill explained jokingly, he can "worry efficiently."

Industries engaged in the dehydration of food are calling themselves "ship-builders." Their justification lies in the amount of cargo space saved in shipping dehydrated foods. When 27,000,000 pounds of potatoes are dehydrated, for example, they weigh 3,000,000 pounds. The reduction means a saving of 500,000 cubic feet of cargo space—the equivalent of two merchant vessels. One hundred soldiers can be fed on a package of dehydrated bacon and eggs which is the size of a loaf of bread. Time, equipment, and manpower are saved in the cooking and handling of such dehydrated foods on the fighting front.



U.S. ARMY AIR FORCES PHOTO

BIBLE AND BOMBSIGHT. The faces of these fledgling bombardiers, about to get their first glimpse of the super-secret U. S. bombsight, reflect the seriousness of the moment as they repeat the solemn words of the bombardier oath. On the table are a Bible and a bombsight. The oath completed, the bombsight is unhooded to give the bombardiers their first look at the instrument of their new profession.

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Cargo Planes Have Vital Part to Play in Warfare

HUGE four-motored transport planes, as big as the largest bombers, are now carrying supplies for the U. S. armed forces, and "bigger and bigger cargo planes are coming." This announcement, made by the War Department a few days ago, indicates that we are going to place much emphasis upon air transport in future military operations. Long steps in that direction have already been taken, as is likely to be revealed in good time.

In order to prepare for things to come, the Army has established a unified Air Transport Command which will have charge of all military and civilian air traffic. From now on all air delivery—from letters for soldiers to parachute troops and heavy bombers—will be consolidated under this unit. It is headed by Brigadier General Harold L. George, who has been directing the U. S. Army's world-wide Ferrying Command, which has hung up brilliant records in flying American bombers to



SIGNAL CORPS
General George

distant United Nations war fronts. General George is fully alive to the importance of cargo planes in war. "I can see absolutely unlimited opportunity for the use of cargo planes, both during and after the war," he said as he took up his enlarged duties last week.

The Germans have used transport planes with great and consistent success in this war. Planes which can carry war materials and troops are believed to be coming out of Nazi factories at the rate of about 2,000 a month. Most of these are the familiar Junkers Ju-52 transports which date back to 1930 in original design. They are a bit smaller than the regular commercial air liners in use in the United States and have a carrying capacity of only two or three tons over a short range. However, they are sturdy, easy to fly, are able to land in small, rough fields and—most important of all—are being manufactured in quantity. It is estimated that the Germans have 10,000 transport planes in use or in reserve.

The Ju-52 has played a vital part in practically every German campaign since the beginning of the war. How this plane has contributed to Nazi victories is described by William M. Sheehan writing in the July *Harpers*:

In Norway a crack Westphalian regiment was deposited within the space of a few hours on a strategic bit of coast by hundreds of Junkers equipped with floats instead of the usual landing gear. A bitter siege at Narvik was relieved by food and guns dropped from the skies. "Vertical envelopment" flowered in full when airports and other important objectives belonging to the Dutch fell to German para-troops and air infantry operating independently of land and sea power. During the Battle of France armored vehicles that outran their surface supply units were refueled by sky-truck tankers. In the Balkans frequent crashes during difficult split-landing operations revealed that the Nazis were quite willing to lose a few planes and troops in difficult crash landings rather than give up the advantage of surprise and swift movement.

In the Cretan campaign tactics suggestive of Buck Rogers were witnessed when the Junkers came over towing long trains of engineless gliders. As many as six of these gliders, each bearing 12 armed men, were counted in a single train, which gave each of the tow units a strength of 90 men. Infantry howitzers and anti-tank guns descended by double and triple 'chutes. In all, thousands of troops, and tons of material were dropped on that strongly defended island.

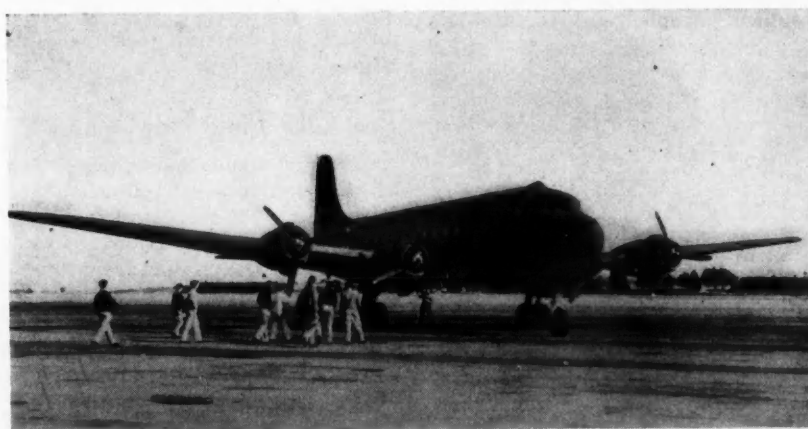
In administering swift defeat to the British in Libya, the Germans apparently once more employed transport planes to good effect. It is believed that a substantial portion of the reinforcements which enabled Marshal Rommel to turn the tide on the British after he had suffered initial reverses, came to him by air.

Cargo planes are also likely to figure heavily in the drive against the Middle East. Supply planes may relieve the problem of Rommel's lengthening lines of communication in Egypt. Troop-carrying planes may bring the attack to Cyprus, Syria, or other points in the eastern Mediterranean region. Thousands of Nazi para-troopers are reported to have been massed in Crete.

There is not much information available about the type of planes the United States is building, except that they are larger and better than the German Ju-52. Among the planes being constructed are the Douglas C-54, a military version of the four-motored DC4, projected commercial air liner designed before the war, and the Curtiss C-46, the largest two-motored plane in the world. Still bigger planes are in the blueprint stage, and perhaps in production.

Whether transport planes are being made fast enough and in as large quantity as they might be is a question which only those who have the necessary knowledge can answer. There are critics who believe that the U. S. armed forces have still not gone far enough in recognizing the need for transport planes. Prominent among them is Major Alexander de Seversky, whose book, *Victory Through Air Power*, is currently attracting wide attention.

This group believes that we should lift our supply routes into the sky as rapidly and as far as possible. It argues that we are waging a 300-mile-an-hour war tied down to a 10-mile-an-hour transport system—the speed of the average cargo vessel. They point to the toll of shipping being exacted by submarines as an additional argument in favor of air transport.



AMERICA'S C-54 TRANSPORT PLANE, the details of which are a military secret. It is, however, larger and better than the German plane.



GERMANY'S JU-52 TRANSPORT PLANE which has been used with such success during the war. The above is a commercial model of the three-motored plane photographed before the war.

Fifteen transport planes, each carrying 20 tons of material, could carry as many supplies from the United States to the Middle East in a year as one seagoing vessel. Whereas the ship could make only two-and-a-half trips a year, the 15 planes could make 50 trips. This is the computation of Grover Loening, consulting engineer of the Grumman Aircraft Corporation.

Planes may not be able to supplant merchant vessels but there is a firm belief that they should be used much more to supplement them. Air travel has the incomparable advantages of speed and comparative safety. It can bring up men and materials in a hurry during an emergency. These are facts which have been dramatically underlined by the war. The organization by the Army of a unified air transport command is good news and a good sign.

CHENG TU

Tomorrow, July 7, China begins her sixth year of resistance to Japanese aggression. In calling attention to this anniversary, the United China Relief points to the ancient city of Chengtu, in western China, as an example of how the war is revolutionizing Chinese life:

"Before the start of the Sino-Japanese war and for centuries before that, Chengtu was the backwoods of China, a large but almost primitive town isolated from the rest of China by natural barriers and by lack of communications. A large majority of the tribespeople were illiterate, and wars, pestilence, and famine were common.

"When the Japanese overran China's eastern provinces, where 90 per cent of China's colleges and schools were located, these institutions evacuated into Free China.

Chengtu is today the site of seven large Chinese universities-in-exile, with her normal population of 441,000 swelled by a student population of 6,000.

"Today a tanning project started by West China Union University has made tanning a major local industry. West China Union also has developed processes for manufacturing dyes from local materials, and this has made possible establishment of a healthy textile industry.

♦ SMILES ♦



"I've been waiting and waiting for Washington to ration soap, but no luck so far!"
KELLER IN COUNTRY GENTLEMAN

The class had been asked to write a few paragraphs on Eskimos and their mode of living. One paper began: "The Eskimos are the earth's frozen people."
—MONITOR

Toastmaster: "Before our distinguished guest commences his speech, I'd like to tell you something of importance."
—PUNCH

Has anybody suggested that Shangri-La may be near the Illusion Islands?
—WALL STREET JOURNAL

The American convoy was on its way to Ireland across the stormy North Atlantic. One soldier hurried below to call his buddy.

"Hey, come on up," he yelled, "we're passing an American battleship."
He was answered by a groan: "I don't want to see a ship; call me when we're passing a tree."
—PATHFINDER

Dentist: "The trouble with your tooth is that the nerve is dying."

Patient: "All right, but please treat the dying with a little more respect."
—CAPPER'S WEEKLY

Officer: "I don't know why the men grumble. This soup is really excellent."

Sergeant: "They wouldn't grumble, sir, if the cook would admit it is soup. But he insists it's coffee."
—WALL STREET JOURNAL

"Perhaps you'll explain," said the lady pigeon icily, "why you're two hours late for dinner?"

"My dear, I was five miles away when I started homing," said her husband, "and it was such a beautiful evening that I thought I'd walk."
—TIM-BITS

The Week at Home

This Week

President Roosevelt disclosed official war production figures for May. Although the totals were encouraging, he cautioned against overconfidence. . . . Speedy capture by the FBI of eight saboteurs and a round-up of their confederates nipped one of the most daring plots on record.

Army air transport operations were consolidated under the command of Brigadier General Harold L. George. . . . Congressional action was completed on the measure appropriating \$8,500,000,000 for the expansion of the Navy. The funds allowed cover the construction of 500 combat ships, including aircraft carriers, cruisers, and destroyers. It was left to the Navy to decide whether or not to go ahead with construction of battleships previously authorized.

Renewed efforts were made to increase the collection of scrap rubber. The poor showing of the first drive led to an extension of the campaign. . . . Price Chief Leon Henderson, testifying before a congressional committee, admitted his concern that present price ceilings may not hold. He also foretold the need for rationing 15 additional items, but did not name them.

War Production Chief Donald Nelson ordered full production on July 4. . . . Congress decided that the Civilian Conservation Corps should be abolished, its break-up to be completed within a year. . . . Among the appropriation bills passed by Congress was the gigantic \$42,800,000,000 fund for the Army.

Drive Continues

Four days remain in which to pile up scrap rubber for the nation-wide salvage drive. The 10-day extension of the campaign ordered by President Roosevelt ends at midnight, July 10, when the collections will be checked to see whether the effort has met with success or failure.

The initial total of 219,000 tons which had been turned in by the end of the first two weeks was entirely disappointing. Officials in charge of the campaign had hoped that perhaps 500,000 tons or more might be realized, and were not willing to accept the 219,000 tons as the best possible harvest.

Should the renewed effort again fall short, the day of nation-wide gasoline rationing is inevitably brought nearer. Secretary Ickes made this plain when he said, last week, that the results of the drive so far were "not sufficient to remove the possibility of further measures for the conservation of rubber." In other words, if not enough rubber is collected to bolster the supplies for the armed forces, the government must make sure, through gas rationing, that tires will be saved for the day when they may have to be taken.

The same methods of collection which were in force at the beginning of the drive still prevail. Rubber articles of every description may either be given outright at any filling station, or sold at the rate of a cent per pound. Such organizations as the Boy Scouts and the Salvation Army will also pick up scrap upon being called.



PACIFIC WAR COUNCIL as it was summoned to the White House for conferences during the recent visit of Prime Minister Churchill. Left to right behind Churchill and President Roosevelt are: Dr. Van Kleffens, foreign minister of the Netherlands Government in Exile; Sir Owen Dixon, Australian minister to the United States; Leighton McCarthy, Canadian minister to the United States; Prime Minister W. L. Mackenzie King of Canada; Lord Halifax, British ambassador to the United States; T. V. Soong, foreign minister of China; Manuel Quezon, President of the Philippine Government in Exile; and Walter Nash, New Zealand minister to the United States.

Plot for Sabotage

Hollywood itself could have contrived no better plot than the story furnished last week by the Federal Bureau of Investigation's capture of eight saboteurs. Landed by German U-boats at two points on the Atlantic coast, the eight were well equipped with high explosives and \$150,000 in American money to carry out their assignments of destruction and terrorism. Some of the nation's largest aluminum plants, vital railroad centers, bridges, canals and locks, the New York City water system, and power plants were on their list of objectives.

The FBI, after hauling in the saboteurs and seizing their supplies, disclosed that the men, of whom two were naturalized citizens, had all lived in the United States and would thus have been able to get about easily. The special training in Germany which equipped them for sabotage apparently failed, however, to teach them how to elude capture.

Because their attempt at sabotage occurred in wartime, the eight faced the death penalty, although it was uncertain at first whether the Army or the civil courts would bring them to trial. The FBI was also rounding

up certain unidentified persons who had aided the eight. As a result of the daring plot, Coast Guard beach patrols were being tightened and other precautions were being enforced to prevent another such attempt.

On Our Way

President Roosevelt, a few days ago, gave the nation—and the Axis—a revealing glimpse of the way things are going in American war production. The figures disclosed, he said, were just the kind not calculated to give "aid and comfort" to the enemy.

"In May," he reported, "we produced nearly 4,000 planes and over 1,500 tanks. We also produced nearly 2,000 artillery and anti-tank guns. This is exclusive of anti-aircraft guns and guns to be mounted in tanks." In addition, the month's record included 50,000 machine guns of all types—including infantry, aircraft, and anti-aircraft. If sub-machine guns were added to this, the total would be well over 100,000 for a single month.

The President, while emphasizing that industry is well on its way toward reaching the production goals set for it, warned that the heartening report should be no cause for overconfidence. "We can't rest on our oars," he said. "We need more and more, and we will make more and more." Finally, he pointed out that many problems lie ahead, particularly serious shortages in raw materials, which must be overcome through the teamwork of the government and industry.

The Old Pine Tree

Camphor might have been on the list of products cut off from the United States by war had it not been for the skill of American chemists in extracting the product from southern pine trees. Japan's once tightly held monopoly on camphor thus poses no problem today, because an industry built up in this country over the last decade is now able to supply practically all our needs.

One of man's oldest products, camphor, for centuries was extracted

from the stately camphor trees of the Orient—trees whose pungent odor carried for miles. Two developments conspired to give Japan her monopoly of the product. She held the Island of Formosa, captured from the Chinese in 1895, and it was one of the richest sources of the substance. Then a boom in the camphor market encouraged other regions to use their trees wastefully, while those on Formosa were carefully tended and conserved until they were almost the last remaining natural source of camphor.

Japan, however, fostered the search for other sources of camphor by holding up the price. By the early 1900's, German, Italian, and Swiss plants were making synthetic camphor in large quantities. Although similar efforts were going on in this country, large-scale production did not get under way until the 1930's. From pinene, which makes up 95 per cent of the turpentine taken from pine trees, we now obtain virtually all the camphor we require.

Thousands of barrels of the snow-white camphor flakes go into liniments and other pharmaceuticals, plastic materials, photographic films, drafting instruments, map cases, identification tags and buttons, and windshields for motorcycles and certain types of airplanes.

"Second Front" General

Major General Dwight D. Eisenhower's recent assignment to the command of United States forces in the European theater of warfare was taken as another signpost pointing to the opening of a second front against Germany.



General Eisenhower

With headquarters in London, General Eisenhower did not discourage this interpretation when he spoke immediately of the swiftly moving steps taken by the United States and Britain to cooperate closely in moving against the Axis. He also spoke of the presence in Britain of American soldiers and pilots in rapidly growing numbers.

General Eisenhower, who is 51, is an air-minded specialist in armored warfare. After his graduation from West Point in 1915, he distinguished himself in tank operations and gave promise of the brilliant military career that was to follow. The finishing touches to his education came in peacetime, when he studied at the various schools maintained by the Army for its officers, making an excellent record.

While serving as General MacArthur's right-hand man in the Philippines, in 1935, Eisenhower found time to learn to fly, and piled up 300 hours in the air before he left the islands. Army airmen thus suffered no slighting of their forces when, in more recent months, he was chief of the all-important operations section in the Army General Staff. A Texan, known to fellow officers by the nickname "Ike," the general is now in a position which may make him one of the world's best known military figures in the months ahead.



WAR PRODUCTION PATTERN. Scores of huge ship ventilators which will be installed on the new Liberty ships.

The Week Abroad

This Week

In the space of one week, the Nazi forces under Marshal Rommel in North Africa have penetrated some 200 miles past the Egyptian border, to capture the British naval base at Matruh, and sweep headlong to within 100 miles of the all-important British naval base at Alexandria. This base was raided by German planes, while there were reports that the city was being evacuated and the naval base prepared for demolition. The Egyptian campaign has been put in the hands of General Claude Auchinleck in the hope of staving off complete disaster.

In London Prime Minister Church-



Nazi blueprint
RUSSELL IN LOS ANGELES TIMES

ill received a warm welcome from the House of Commons, although he faced a motion of a vote of no confidence for the first time since becoming Prime Minister.

At the conclusion of the Churchill visit in Washington, a joint Roosevelt-Churchill statement was issued, pledging a second front as soon as possible. Meanwhile, the Army announced the creation of a European Theater of Operations under the command of Major General Dwight D. Eisenhower, a pioneer in tank warfare.

The great German industrial port of Bremen experienced the heaviest bombing of the war, followed by two lighter raids during the week. From Stockholm came the report that many Germans believe there is a secret gentleman's agreement between Britain and Germany that Berlin and London would not be bombed.

The Russian front was marked by exceptionally bitter fighting and heavy casualties around Sevastopol. A new drive was opened by the Germans in the Kursk sector, 280 miles south of Moscow, while the great Kharkov push seemed to be stalled for the time being. However, the invaders passed the high-water mark of their previous advance in the Ukraine.

Angry mobs in Argentina demonstrated violently against the Axis because of the Axis sinking of a third Argentine vessel. There were increasing indications that both Argentina and Chile would soon break relations with the Axis.

The Japanese captured the last major air base in eastern China from which Japan could be bombed, and

started a drive to secure the entire Chinese coast region. Also the Japanese were reported to be consolidating their hold on the Aleutians. Observers detected increasing tenseness in Russo-Japanese relations over the alleged sinking of a Russian ship by the Japanese.

Angry Argentina

From Argentina a few days ago came the long-awaited announcement of the resignation of President Roberto M. Ortiz, whose failing eyesight has kept him from an active part in government for some two years. His resignation leaves the reins of government even more firmly in the hands of the conservative Ramón S. Castillo, who, as acting president during Ortiz' leave of absence, has kept Argentina to a "neutral" course which in many ways has worked to the interests of the Axis.

Ortiz' resignation comes at a very critical juncture in his country's affairs. All Argentina is seething with anger over the Axis sinking of a third Argentine vessel—the Rio Tercero. Anti-Axis demonstrations have flared up in Buenos Aires, while pro-Ally sentiment is growing in the parliament. Reports have circulated that the pro-Axis foreign minister, Enrique Ruiz Guinazu, would be replaced by Saavedra Lamas, who is more friendly toward the United States, and who has in the past taken a lead in pan-American affairs. Moreover, economic pressure from the United States is making Argentina's "neutral" position more and more difficult to maintain.

In Chile, meanwhile, there are signs that this country, also, may soon join its 19 neighbors who have already broken with the Axis. The foreign minister, Ernesto Barros Jarpa, is very friendly to the United States. Chile is doing valuable service to the Allies by supplying them with strategic copper, iron, and nitrates. Vigorous measures against Axis agents have recently been taken. Finally, it is reported that Chile will declare war if any attack is made on the Panama Canal or on commercial shipping in Pacific South American waters.

Jewish Army Demanded

So severe have been Allied losses and setbacks in the North African campaign that reinforcements are

now badly needed. This fact, together with the increasing threat to Suez and the Caucasus, have given renewed impetus to the agitation for a Jewish army. Advocates of such an army say that there are at least 100,000 men who would immediately volunteer—Jews from Palestine, refugees from Axis-conquered Europe, and seasoned veterans of the Greek, Polish, and the Czechoslovakian campaigns.

It is argued that these Jews would have greater reason to fight Nazism than any other people; that they would fight to the death since they would never dare surrender; and that they are already in the Near East and would not present the plaguing problem of transportation.

In spite of these appeals, Britain has never looked favorably upon the idea of a Jewish army. One of the biggest problems in ruling the British mandates in the Near and Middle East has been to keep down Arab unrest and avoid clashes between the Arabs and the Jews. Britain now fears that the creation of a Jewish army would serve to increase the active hostility of the far-flung Arab tribes, a hostility which has already been inflamed by Axis propaganda. For this season, the prospects for a Jewish army at present are rather slim. Jews, however, are fighting as part of the British armed forces in the Near East.

Death in Latin America

If 50,000,000 of the people in the United States were all to fall ill at the same time, we would say that this country was in the grip of the most horrible plague since the Middle Ages. However, according to Charles Morrow Wilson, writing in the current *Harpers*, this would be no worse than the condition that prevails at the present moment (or at any moment) in Latin America—50,000,000 sick people in a population of only 120,000,000.

In spite of a desperate and heroic fight by public health authorities in Latin America, the conditions of poverty, lack of sanitation, ignorance, and climate combine to make sickness there "as much a condition of life as weather or food." Tuberculosis, malaria, dysentery, diphtheria, infantile paralysis, typhoid, meningitis, yellow fever—these are germ-caused diseases which have been stamped out or brought under partial control



CHINESE FLYERS are being given advanced training and instruction in the United States. These pilots are learning about motors at an eastern air base.

in this country, but which still rage violently all over the vast area south of the Rio Grande, exacting a tragically huge death toll each year. So widespread is tuberculosis, for example, that in one Chilean city virtually 100 per cent of the working class from the ages of 16 to 24 suffer from the disease.

Life expectancy is short in Latin America. In Chile it is about 35 years; in Peru, less than 32, compared to an expectancy in the United States of somewhat more than 62. This unhappy situation is almost entirely due to the ravages of disease and its near cousin—malnutrition.

This is not a remote problem toward which the United States can afford to be indifferent. "Disease germs cannot be forced to recognize national boundary lines." Not only do these exceptionally virulent enemies of disease threaten our own national health, but even more important, they are a constant and deadly menace to the increasing numbers of the United States citizens who are being sent to the American tropics—soldiers, workers in Army bases, and commercial agents. "The current struggle for health is our war too; our neighbors cannot hold the fort for us indefinitely," concludes Mr. Wilson.

Wine Into Gasoline

In the late spring of 1940, as the Nazi panzer divisions swept across France, vineyard masters experienced one of the finest grape growing seasons in many years. The weather was hot and dry, just such weather as vineyards—and panzer divisions—need.

The wine which those magnificent grapes produced will never be used for beverage purposes. Even at this moment it is furnishing the power for Nazi automobiles and tanks. The vast bulk of French wine stores has been converted into alcohol for the conditioning of gasoline to drive the Nazi war machine.

So thoroughly has Germany stripped France of her wine supplies that a French citizen is today rationed to one quart a week—if he can find it for sale. At one time the flow of wine to Germany was at the rate of 100 trains a week. Rare, fabulously expensive old wines were dumped indiscriminately with green, tasteless new wines to be sent to the German distillers. The confiscation was in accordance with a carefully devised plan, worked out many years before the outbreak of the present hostilities.



LATIN AMERICANS are prone to serious and continued illness. This is one of the great problems of the Western Hemisphere.



Stakes Are High in Battle of Egypt

(Concluded from page 1)

outcome may depend the length of the entire conflict. Egypt is the key to the Middle East where lie the oil-rich lands of Iran and Iraq. If these fall into Hitler's hands he will have within his grasp the resources with which to wage a protracted war.

The German drive is following the line which was indicated when Rommel opened his offensive in Libya. Conquest of the Middle East appears to be a leading—perhaps the leading—objective of the Nazi summer offensive. It is a drive which, if successful, will greatly help Germany in her campaign against Russia, and which will serve to give Germany strength and resources for a longer war in case Russia cannot be defeated.

Doorways to Middle East

There are several doorways leading from Europe to the Middle East. One goes by way of the Russian Caucasus and the Black Sea—an exceedingly hard one to penetrate as the Nazis have discovered. Another lies through Turkey, the "Berlin-to-Baghdad" route which the Germans have fondly entertained in their dreams for a long time. But it, too, is a hard road to travel because it would have to surmount the oppo-

sition and the rugged terrain of still neutral Turkey.

The third route goes by way of Egypt and the eastern Mediterranean, which includes the Levant coast of Palestine and Syria. This pass has been blocked by the strong British foothold in Egypt. The great naval base at Alexandria has given the British navy control over the eastern Mediterranean, the Suez Canal, and the Red Sea. The island of Cyprus has guarded the approach to Syria.

While hammering away at the first door, hoping to reach the Caucasus, the Germans have apparently determined upon Egypt as their most promising avenue of approach to the Middle East. If they can reach Alexandria, the British navy will have to retire from the eastern Mediterranean. The Suez Canal will pass into German hands and it will become difficult, if not impossible, to defend Palestine and Syria. Britain's land forces will be pushed back into Iraq and Iran, and her naval forces to the Indian Ocean.

Germany would succeed in bypassing Turkey and would be within reach of the oil of which she stands so much in need. Whether Britain and her allies could defend Iraq and

Iran is an open question. A line of defense, sustained by supplies coming up the Persian Gulf, and joining perhaps with the Russian forces in the Caucasus, might be established and be made strong enough to keep the oil fields out of German hands. If so, the German campaign could still be defeated.

To Cut Off Russia

But if something like this cannot be done, the fall of Egypt would be a disaster of the first order for the United Nations. The Middle East with its rich resources would be gone and—of equal importance—the southern approach to Russia would be lost. The flow of supplies that now reaches the Russian front by way of the Persian Gulf would be cut off.

The desire to sever the supply route to Russia is undoubtedly a major aim of Hitler's drive. Having so far been unable to defeat the Russian armies on the field, he may now be planning to isolate the Soviets from their allies. A successful drive into the Middle East would accomplish half of this objective. A northern campaign against Leningrad and the railway centers beyond it which control the approach to the Russian

port of Archangel would complete the process.

The Middle East can thus be looked upon as an extension of the Russian front. If it is held, Russian powers of resistance will be strengthened and Hitler may fall short of the minimum objectives which he must attain this year. But if it is lost, it may be impossible to keep the Caucasus out of German hands and Russia will be so weakened that she may no longer be able to continue as a powerful factor in the war. Her resistance may go on, just as China's is going on against Japan, but her ability to influence the course of the war may be greatly diminished.

All this is fully realized by the United Nations and it is certain that the Allied commands are sparing no efforts to send reinforcements to Egypt. Materials have been piling up in that part of the world for many months, and planes can be flown in rapidly. The fate of Egypt will depend upon whether these resources can be mobilized swiftly enough to check Rommel before he can reach Alexandria. British leaders are confident that the job can be done and that the Nazis will be halted on this front as they have been in the British Isles and in Russia.

American People Face Rising Tax Bill

(Concluded from page 1)

greater than the total expenditures made during the First World War. This gives an indication of the tremendous task which the United States has undertaken to defeat the Axis powers.

While no one expects to pay for the war as we go along, all realize that the government must collect more money if it is to avoid inflation and bankruptcy. That is why Congress will devote much of the remaining time of the present session to taxation.

The groundwork for a new tax bill has been completed. The Ways and Means Committee of the House of Representatives has finished its hearings on a new tax bill and the measure has been whipped into shape, ready for consideration of the lower house. The committee has been working steadily on the bill since early in March, and the results of its labors are expected to be presented today for general debate by the House.

After the House has passed a new tax bill, the measure will be taken up by the Senate Finance Committee which will study the proposed taxes, approve some of them and veto others, make additions and changes, and finally prepare a bill for the Senate to consider. Before both houses of Congress have finally agreed upon a tax bill and the measure becomes law, many more weeks will pass. The tax now is not expected to be enacted until late in the fall.

Fifth of Income

Whatever form the tax law finally takes, the American people have an indication of what they may expect by examining the proposals of the House Ways and Means Committee. Since the law will apply to incomes earned in 1942, the people must be prepared to pay to the government one-fifth of all they earn this year. Two dollars out of every ten will go to the government in taxes. This 20 per cent applies to the American people as a whole. Some will pay a larger proportion of their income and others a smaller percentage.

It must be remembered, also, that the new taxes will be imposed on top of the heaviest tax burden in the history of the country. But for every three dollars paid under the existing law, four dollars will be collected on the 1942 incomes. To certain groups, the increase will be even sharper, ranging from 50 to 1,500 per cent above the present taxes.

Altogether the taxes proposed by the Ways and Means Committee will add an estimated \$5,924,000,000 to the government's receipts. With the national income for 1942 running to an estimated \$110,000,000,000, the government is expected to collect something over \$22,000,000,000 during the fiscal year which ends next June 30.

The principal sources of the increased revenue will be the income tax for individuals and for corporations. Approximately \$5,000,000,000 of the total increase will come from these two taxes. The remaining \$924,000,000 will come from a variety of taxes to be paid by all classes of the population.

Two important changes have been made in the personal income tax. First, the exemptions will be lowered.

Under the existing law, a single person with no dependents has to pay an income tax only on that part of his yearly income in excess of \$750. The House committee has lowered the exemption to \$500. A married person at present has an exemption of \$1,500. That will be lowered to \$1,200. No change is provided in the allowance for dependents, which remains at \$400. Thus a married couple with two children is not obliged to pay an income tax until the salary is above \$2,000.

While a certain number of new taxpayers will be garnered as a re-

next, it will jump to 19 per cent, and so on.

A comparison of present rates with those contemplated indicates how heavily certain groups will be hit. At present a single person earning \$1,000 a year pays \$21; the new tax will be \$84; on \$2,500 the tax will jump from \$165 to \$345; on \$5,000 from \$483 to \$875. For a married person with no dependents earning \$1,700 the tax would jump from \$13 to \$89; on an income of \$2,500, the tax would increase from \$90 to \$219; on \$4,000 from \$249 to \$504.

As pointed out earlier, the in-

taxes and will not finish paying until next December 15.

It is now proposed that people pay their income taxes as they earn the money. The tax would be deducted from their pay checks every month. By withholding the tax money, the government would be able to use the money immediately. The individual would benefit because he would have his income tax paid by the end of the year in which he earned the money, rather than a year later, as at present.

If this plan is carried out, the taxpayers will pay, in 1943, their 1942 income tax, together with part of the tax on their 1943 income. (For the first year, only part of the income tax would be deducted from the pay check in order to avoid hardship. By the end of 1944, however, the taxpayer would have paid most of his taxes for the three-year period.) It is admitted that this new method of collection would work hardships upon the taxpayers during the initial period, but that in the long run it would make taxpaying much easier.

Stiff as the tax program is, as outlined by the House Ways and Means Committee, it falls short of the goal asked by the Treasury. It is some \$3,000,000,000 below the figure requested by Treasury officials.

Sales Tax

Whether the Senate will attempt to make up the discrepancy between the House bill and the Treasury proposals is not known. If so, it will have to look around for new taxes. Either it will have to increase the income tax rates still further or it will have to turn to the general sales tax. Up to the present both the Treasury and the Roosevelt administration have been strongly opposed to a general sales tax on the ground that it places too heavy a burden upon those classes with the smallest incomes. However, under the stress of war, the Senate may decide that the time has come to impose a general sales tax.

Behind the tax program now before Congress there is a second objective, in addition to that of raising badly needed revenue. That is to curb inflation. Taxation can be a powerful weapon in the fight against inflation because it takes money which otherwise might be used to purchase scarce goods, thus causing the price to rise. It is to accomplish this second objective that many people have advocated even higher taxes than those now under consideration.

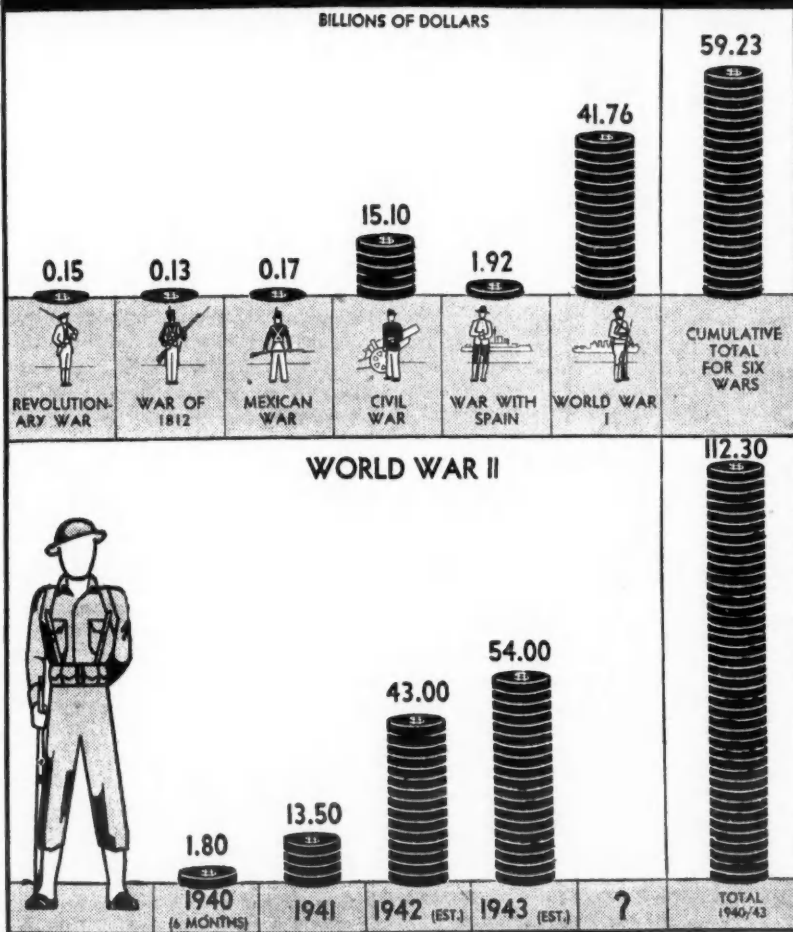
CONFIDENCE IN CRISIS

(Concluded from page 1)

Russia to make terms with Hitler and support him according to his demands.

No, the decisions aren't easy these days. Mistakes will, of course, be made and we can see some of these mistakes in retrospect. But let the critic forget the past a moment and decide what should be done now; what campaign should be inaugurated at this moment. If he has any judgment he will see how difficult a decision is. Yet our military leaders must make and act upon such decisions every day. So let us support the war effort without too much grumbling. If there is real evidence of blundering, we should, of course, speak out. But in the absence of such evidence, let us maintain confidence in those who bear the burdens of responsibility.

OUR WAR EXPENDITURES IN SEVEN WARS



(Since this chart was drawn, additional congressional appropriations have pushed up the total for World War II to \$220,000,000,000.)

sult of the lowered exemptions and while the lowered exemptions will increase the amounts paid by all, the principal increase will come from higher rates. The normal rate; that is, the rate which every person must pay, is now four per cent. Under the House measure it will be six per cent. Thus everyone will have to pay once and a half again on his 1942 income as on last year's.

Surtaxes

But the normal rate is not the only income tax. On top of the normal tax a graduated surtax is imposed. At present the surtax rate is six per cent on the first \$2,000 of taxable income. On the next \$2,000 the surtax is now nine per cent. On the third \$2,000 the present surtax is 13 per cent. As the income increases, the surtax mounts.

These surtaxes will be greatly increased under the new law. Instead of the six per cent now charged on the first \$2,000 of taxable income, the rate will be doubled to 12 per cent; on the next \$2,000 it will be 15 per cent instead of nine; on the

creased taxes on individual and corporation incomes will make up about five-sixths of the total additional revenue to be derived under the proposed tax law. The balance will come from a variety of taxes: The tax on cigarettes will increase one-half cent a package; freight charges on all shipments will be taxed five per cent. The six per cent tax on telephone bills will be doubled. The tax on railroad, bus, and airplane fares will be raised from 10 per cent to 15. Taxes on liquor and cigars, on cameras, and on many other articles will be boosted.

By the Month

One feature of the House measure which has been widely discussed is the so-called withholding tax. This is really not a tax at all but a new method of collecting the income tax. Under the present system, persons do not begin to pay their income taxes until March 15 of the following year and if they pay the tax in quarterly installments they do not finish paying until December 15. Thus most people are still paying their 1941 income

News and Comment

Sense of Balance

Just as the nation indulged in excessive optimism about the war a few weeks ago, there is now danger that it will sink into extreme pessimism. The British defeat in Libya was a severe setback, it is true, but we must not lose our perspective because of it. We must not let it cloud our vision of certain underlying factors which are operating in our favor. Anne O'Hare McCormick, writing in the *New York Times*, helps us to preserve a sense of balance with regard to the Libyan campaign:

... Hitler's success in Libya gains nothing unless it is carried farther. If finally he crushes the fantastic resistance of Sevastopol, he is only one small step nearer a far distant goal. Foolish as it would be to gloss over the defects in generalship that lost Tobruk, it is just as foolish to magnify this battle into a decisive action, and more foolish to lose sight of the all-important fact that if Hitler's military machine is still capable of powerful drives, he has lost the political battle for Europe. He cannot hold what his arms conquer, even against the unarmed. The high strategists of the United Nations have dispersed their political weapons for political reasons, and this is a mistake which Hitler never makes and which they cannot afford to make again until his striking power is definitely weakened. But because the war can never be won if military conquest is not matched by political conquest, there is sustaining comfort in the thought that the political power wielded by Mr. Roosevelt and Mr. Churchill is even now as superior to the enemy's as their military power will soon be.



King Peter and President Roosevelt

King Peter

Young King Peter of Yugoslavia was in Washington, last week, visiting President Roosevelt at the White House and addressing the Senate. William Philip Simms, in his column, gives this glimpse of how the youthful monarch reacted to the Nazi invasion of his country last year:

King Peter today might be living in luxury, in his own royal castle in Belgrade or in his summer residence 10 miles out in the country at Dedinye, had he consented to play Hitler's game. Hitler wanted Peter to let his panzer divisions pass through Yugoslavia to get at the Greeks and the British. When Peter and his advisers refused, the Nazi Luftwaffe not only tried to wipe out Belgrade but seemed to take special pains to destroy Peter's place in the suburbs.

Approximately 100 men, women, and children of Dedinye sought refuge in a passage under the King's quarters. Most of these were killed or wounded by bombs. Peter escaped because he remained outside to watch the unequal dogfight between his own planes and those of the Axis directly above.

Aleutian Weather

"The Japs have bit off a nasty chunk of sod," says Science Service in the *Washington News*, referring to the recent invasion of the Aleutians. The report quotes official rec-

ords to show that Aleutian weather is even worse than that of Iceland:

It must be one of the drizzliest places on earth. The observatory on Attu, one of the islands reported seized by the Japs, shows a mean annual rainfall of about 71 inches. . . . The total number of days on which measurable rainfall occurred was 200 out of 365. That means an endless procession of little rains. And it doesn't count heavily cloudy days . . . [nor] fogs that put no water in the rain gauge.

It never gets very cold in the Aleutians—and it never gets warm. . . . The thermometer in winter hovers near freezing but never dips below it. Summer temperatures average a trifle under 60 degrees and . . . [seldom] rise to 70. . . .

Owing to the large amount of cloudiness and the comparatively low summer temperatures, vegetation, except native grasses, makes slow growth and gardens are not much of a success. Orchards and forests would be even less of a success apparently; the natural vegetation of the islands includes no tree species whatever.

The climate of the islands, however dull, is not without its exciting spells of weather. Cold water of the Bering Sea on one side, warm water brought up from subtropical Pacific areas by the Japan current on the other, set up contrasts which breed all manner of storms.

The Japs chose the best of a bad lot of weather to make their landing in the western Aleutians. Weather Bureau records show that least rain, and most of what little sunshine there is, comes in June and July. After the days grow short and early fall sets in the place gets really nasty.

Alexandria and Cairo

Egypt, now feeling the weight of Axis blows, boasts of two of the most important cities in the Mediterranean region. The *Baltimore Sun* gives this picture of Alexandria and Cairo:

Oldest and for hundreds of years the most important of these cities is Alexandria. It lies on the Mediterranean at the westernmost tip of the fan-shaped delta of the Nile. Notwithstanding Port Said, which Kipling called "the concentrated essence of all iniquity and all the vices of all the continents," and which commands the actual entrance to the canal, Alexandria is the chief port. It is the site, too, of the great British naval base which was supposed to keep the eastern Mediterranean safe.

Alexander the Great built the city by fiat, and the pharos, or lighthouse, which marked the harbor entrance, was one of the wonders of the ancient world. Scholars and savants flourished there and made it a center of learning until the Arabs and the Turks came. Napoleon coveted it but was driven out by the British.

Cairo, "the diamond in the handle of the fan of the delta," is more mod-



HAMILTON WRIGHT
Mosques in Cairo

ern but at that it antedates the Norman conquest of Britain. Its population of about a million and a quarter is about three-fourths Egyptian. It commands not only the delta but the whole of the great Nile valley, which reaches southward into the heart of Africa for more than 2,000 miles. Its markets, shops, and bazaars are crowded with the products of the whole of the Near East and Africa. Its merchants represent every race in the Eastern Hemisphere. Its riches, they say, are beyond belief. So, too, are its slums.



Flying Tigers in China

Former Schoolteacher

Chennault of the "Flying Tigers"

ON Sunday, December 21—just two weeks after Pearl Harbor—seven Japanese planes staged a raid on the Kunming terminal of the Burma Road. Suddenly and unexpectedly they were set upon by three pairs of American P-40's, bearing upon their snouts the painted head of a "grinning, saber-toothed tiger shark." Within less than one minute, six Japanese planes had screamed to earth in flames and the frightened survivor had fled. The American planes returned to their base unscathed.

The Japanese did not know it then, but they had just had their first taste of combat with the American Volunteer Group of the Chinese air force. There were to be many more such meetings, with the AVG's often outnumbered 20 to 1. Yet within six months the "Flying Tigers" had knocked out more than 550 Japanese planes—34 for every one of their own destroyed—and had killed 97 Japanese airmen for every AVG pilot lost. The Japanese invasion of Burma was temporarily thrown out of gear by the most amazing and revolutionary air tactics ever seen.

Last Saturday, July 4, a ceremony in Chungking brought to an end the now famous AVG. But the "Flying Tigers" will carry on, as "charter members" of the U. S. Army Air Force in China. With real assistance from the home government, they may far surpass their already spectacular records.

To understand the "Flying Tigers" is to know the story of their weather-beaten leader, 51-year-old Brigadier General Claire L. Chennault, who now becomes head of all American air forces in China. It was his brilliant strategy and thorough planning which made the AVG success possible. A former schoolteacher from Louisiana, Chennault enlisted in the Army in 1917, and stayed on after the war to become one of the Army's best pilots as well as a crack flying teacher. Closely following the ideas of Billy Mitchell, the great prophet of air power, Chennault early foresaw the vital role of the airplane in the next war. He developed revolutionary theories about military tactics, such as using parachutes to drop troops and guns.

He also worked out an acrobatic combat technique for air fighting, and barnstormed the country with

two assistants as the "Three Men on a Flying Trapeze." In both cases, however, his ideas were ignored by the tradition-bound "brass hats" of the Army. It was to be 10 years later that the wreckage of Japanese planes strewn on China's hills would vindicate his faith in precision flying. In 1937 Chennault retired from the Army, officially because of deafness from too much flying in open planes.

In July of that same year, Chennault became air adviser to Generalissimo Chiang Kai-shek, leaving his wife and eight children in their Louisiana home. To his dismay, he found that China had an air force of only 100 planes, which the Japanese speedily demolished in the first months of the war with China.

Chennault sent repeated and urgent pleas to the United States for more planes, but

in vain. Nothing daunted, he set about to make a close and methodical study of Japanese air technique. With a telephoto lens movie camera he carefully observed and analyzed Japanese planes and strategy. He memorized the Japanese pilot's book of "precepts." Within two years he became probably the world's greatest expert on Japanese air fighting, outside Tokyo or Berlin.

Then, late in 1940, came a stroke of luck. A Chinese representative in Washington managed to secure 100 obsolete P-40 pursuit ships. Chennault came to Washington himself, and with the President's permission, recruited a small band of about 100 adventurous young fliers, offering them, in the name of the Chinese government, \$600 a month and \$500 for each Japanese plane shot down.

Months of intensive training in China followed. With the aid of blackboards and model airplanes, this aerial wizard taught his enthusiastic young disciples all that he knew. Then came December 7, and the rest of the story is history. The "Flying Tigers" will long be remembered as the deadliest, most reckless air fighting outfit the world has ever seen.



U.S. ARMY AIR FORCES
General Chennault